

Message Text

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PAGE 01 STATE 030621
ORIGIN EB-08

INFO OCT-01 EUR-12 IO-13 ISO-00 AID-05 CIAE-00 COME-00
FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03
SP-02 CIEP-01 OMB-01 STR-04 L-03 SS-15 NSC-05 ITC-01
FEA-01 INT-05 CEA-01 /099 R

DRAFTED BY EB/ISM:BWMILLER:LMP
APPROVED BY EB/ISM:ACHEWITT
EB/TA:RMEYER
STR:RHEIMLICH
EUR/RPE:RBRESLER

-----110347Z 129379 /73

R 102017Z FEB 77
FM SECSTATE WASHDC
TO AMEMBASSY LONDON
INFO USMISSION EC BRUSSELS
USMISSION OECD PARIS
USMISSION GENEVA
AMCONSUL DUSSELDORF

C O N F I D E N T I A L STATE 030621

E.O. 11652:N/A

TAGS: EIND, GW

SUBJECT: REPORTED US STEEL REP DISCUSSION WITH GERMAN
STEEL PRODUCERS

REF: (A) BONN 1089; (B) DUSSELDORF 103

1. DEPARTMENT APPRECIATES DUESSELDORF CLARIFICATION OF US
STEEL VICE CHAIRMAN (R. HEATH LARRY) VISIT TO GERMAN
STEEL PRODUCERS. FOR BACKGROUND ON LARRY TRIP WE
CHECKED WITH AMERICAN IRON AND STEEL INSTITUTE (AISI),
WHICH IS US EQUIVALENT TO GERMAN IRON AND STEEL
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ASSOCIATION. AISI TOLD US THEY HAD BEEN UNAWARE OF TRIP
AND OFFERED TO CHECK FURTHER WITH UNITED STATES STEEL
ITSELF. AISI SUBSEQUENTLY REPORTED LARRY HAD MADE
RECENT TRIP TO EUROPE FOR UNITED STATES STEEL CORP. AND
WAS NOT ACTING ON BEHALF OF THE ASSOCIATION.

2. US STEEL INDUSTRY SUPPORT FOR A WORLD ORDERLY MARKET

AGREEMENT (WELTSTAHLMARKTORDNUNG IS IN LINE WITH PREVIOUS INDUSTRY STATEMENTS. QUID PRO QUO, OF WELTSTAHLMARKTORDNUNG IN RETURN FOR ELIMINATION OF US PROTECTIONISM, HOWEVER, NEVER QUITE SO BLATANTLY EXPRESSED IN PAST. AISI, SPEAKING FOR IRON, STEEL AND FOUNDRY INDUSTRIES, HAS FOR

SEVERAL YEARS BEEN PUSHING FOR ADOPTION OF A MULTINATIONAL AGREEMENT INCLUDING A "SAFEGUARD MECHANISM" FOR STEEL WITHIN THE CONTEXT OF AN MTN STEEL SECTOR NEGOTIATION. THREE BASIC ELEMENTS OF THE INDUSTRY'S PROPOSAL WERE TO CREATE A STANDING STEEL COMMITTEE WITHIN THE FRAMEWORK OF THE GATT, ESTABLISH A SAFEGUARD SYSTEM FOR HANDLING PROBLEMS OF MARKET DISRUPTION (I.E. RESTRICT IMPORTS INTO THE US ESPECIALLY DURING DOWNTURNS OF THE BUSINESS CYCLE), AND ELIMINATE TARIFF AND NON-TARIFF BARRIERS TO TRADE IN STEEL OVER A PERIOD OF TIME. THE INDUSTRY PROPOSALS WERE ELABORATED AT LENGTH IN THE CONFIDENTIAL REPORT OF THE INDUSTRY SECTOR ADVISORY COMMITTEE (FERROUS METAL ISAC) WHICH WAS CREATED UNDER THE TRADE ACT OF 1974 AS A VEHICLE TO EXPRESS INDUSTRY VIEWS ON OBJECTIVES FOR FORTHCOMING MTN.

3. WHILE THE USG HAS ALREADY INDICATED SUPPORT FOR A STEEL SECTOR NEGOTIATION, THE IDEA HAS RECEIVED A COOL RECEPTION FROM BOTH THE EC AND JAPAN. IN ADDITION, AN AGREED USG POSITION FOR SUCH A NEGOTIATION HAS NOT YET BEEN EVOLVED. WHILE THE VIEWS OF THE US STEEL INDUSTRY WILL BE TAKEN INTO ACCOUNT IN THE EVOLUTION OF A US POSITION, A WIDE VARIETY OF DIVERGENT VIEWS AS WELL AS A CONFIDENTIAL

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NUMBER OF INTERAGENCY STUDIES NOW UNDERWAY WILL ALSO BE TAKEN INTO ACCOUNT BEFORE FORMULATION OF AN AGREED USG POLICY.

4. DRAWING ON THE ABOVE AS BACKGROUND, THE POST SHOULD INFORM APPROPRIATE OFFICIALS OF THE GERMAN GOVERNMENT THAT THE OPINIONS EXPRESSED BY MR. LARRY APPEAR TO BE HIS OWN AND ARE INDICATIVE OF GENERAL VIEWS EXPRESSED BY US INDUSTRY IN THE PAST; THE VIEWS ARE NOT, HOWEVER, THOSE OF THE USG, NOR HAS OUR INTERAGENCY STUDY OF THE STEEL QUESTION BEEN COMPLETED.
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ORIGIN EB-08

INFO OCT-01 EUR-12 ISO-00 /021 R

66011

DRAFTED BY EB/ISM :BMILLER

APPROVED BY EB/ISM:BMILLER

-----142338Z 040342 /62

P 142255Z FEB 77

FM SECSTATE WASHDC

TO AMEMBASSY BONN PRIORITY

INFO AMEMBASSY LONDON PRIORITY

C O N F I D E N T I A L STATE 030621

FOLLOWING REPEAT STATE 030621 ACTION LONDON INFO EC BRUSSELS
OECD PARIS GENEVA DUSSELDORF 10 FEB 77

QUOTE

C O N F I D E N T I A L STATE 030621

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VACE UNQUOTE.

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE PROTECTIONISM, STEELS, VISITS
Control Number: n/a
Copy: SINGLE
Sent Date: 10-Feb-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
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Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
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Handling Restrictions: n/a
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Litigation History:
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Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 77 BONN 1089, 77 DUSSELDORF 103
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 14-Mar-2005 12:00:00 am
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Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3351942
Secure: OPEN
Status: NATIVE
Subject: REPORTED US STEEL REP DISCUSSION WITH GERMAN STEEL PRODUCERS
TAGS: EIND, GE, US, (LARRY, R HEATH)
To: LONDON
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/a84674c8-c288-dd11-92da-001cc4696bcc
Review Markings:
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US Department of State
EO Systematic Review
22 May 2009
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